

## RISK ASSESSMENT AND MANAGEMENT (FINANCIAL) FOR THE PERIOD 1 JANUARY 2026 TO 31 DECEMBER 2026

### INCOME

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Precept	Adequacy of precept	L	Setting realistic budget (Clerk and Councillors). Maintaining adequate reserves. Bi-monthly report of expenditure against budget		12 months (Councillors, Internal Auditor). Published on the website.

### EXPENDITURE

Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Financial control	Surplus/loss of funds Poor records	L	Finance report at each meeting. Bi-monthly bank reconciliations. Bi-monthly report of budget to actual expenditure. Periodic review of adequacy of record keeping. Councillors check and approve each payment. 3 Councillors on the bank mandate and 2 authorisations required to make payments Up to date financial regulations. Fidelity insurance	Payments checked by non-cheque signatory	Bi-monthly
Direct costs and	Invoice incorrectly calculated	L	Check arithmetic	Invoice checked prior to payment	As required

overhead expenses	Amount payable is excessive/not in line with the quotation	M	Clarification sought as to variance by RFO. Payments require two signatures and approval by Council.	RFO reports variance. Councillors verify.	As required
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Topic	Risk Identified	Risk Level H/M/L	Management of Risk	Staff Action	Internal Audit Checks (Every)
Clerk's expenses & Clerk's salary	Clerk costs exceed budgeted amount.	L	<p>Clerk's costs are identified at bi-monthly meetings and included in the report on actual against budget expenditure. Payslip and pension template provided to Council as part of payment approval process</p> <p>Salary paid bi-monthly</p> <p>Payment of additional hours worked subject to prior approval by Council.</p>	<p>Councillors verify</p> <p>Chair verifies</p>	<p>2 months</p> <p>2 Months</p>
Services	Payment for services authorized.	L	<p>Up to date Financial Regulations adopted, services obtained, and payments approved in line with them. Invoices for approval presented to bi-monthly meeting for approval.</p>	Councillors verify invoices	Bi-monthly

Election Costs	Invoice at agreed rate	M	RFO check and consider budget	RFO reports. Councillors verify.	As required.
Reserves - general	Adequacy	L	Consider at budget setting and Final precept demand	RFO reports. Councillors verify.	12 months
Assets	Loss, damage etc	M	Annual inspection Insurance cover in place. Asset Register kept up to date	RFO/Councillors to review and report	12 months
Liability	Risk or damage to third party property or individuals	M	Public Liability Insurance	RFO/Councillors to review and report	12 months

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Maintenance	Deterioration of assets	L	Annual maintenance inspection	RFO/Councillors to review and report	12 months
Legal Powers	Illegal activity or payment	L	All activity and payments made within the powers of the Parish Council to be resolved/agreed by Council and clearly minuted. Standing orders and Financial Regulations reviewed and updated. Clerk to obtain appropriate advice prior to any decision.	Standing orders and financial regulations reviewed regularly	12 months
Financial records	Inadequate records  Failure to publish statutory notice of audit.	L	Clerk maintains cash book. Review of accounts, bi-monthly bank reconciliations and schedules of payments for approval with supporting documents.	RFO reports. Councillors verify.	<b>At bi monthly meetings.</b>  Post notice of annual internal/external audit annually within prescribed period

Minutes	Accurate and legal	L	Clerk to ensure minutes comply with legal requirements. Draft circulated prior to meeting. Amended if necessary prior to approval at subsequent meeting. Posted on website.	Ongoing	Before and after each bi-monthly meeting
Councillors' interests	Conflict of interest	M	Councillor's Code of Conduct adopted. Councillors declare interests for publication following election. Councillors required to declare interests in any agenda items	Following election.  Every meeting.	Every 12 months.  Every meeting

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			(as adopted)		
Annual Governance and Accountability Return (AGAR)	Not submitted within time limits	L/M	Documentation is completed and signed by the Council and the Internal Auditor. It is then checked and sent on to the External Auditor (if required) within time limit.	Clerk ensures timetable for completion and publication of documents adhered to.	Existing procedures adequate. Monitor AGAR requirements annually to check compliance.
Freedom of Information, Data Protection and General Data Protection Regulations	Policy provision	L/M	The Council reviews its policies	Monitor and report any impacts made under the Freedom of Information and data protection to Council.	Regular policy review

VAT	VAT Re-claiming	L	The Council has financial regulations which set out the requirements	VAT recovered annually	Existing procedures adequate
Best value Accountability	Work awarded incorrectly / Tender assessment inadequate	L/M	As per adopted Financial Regulations.	If a problem is encountered with a contract the Clerk would investigate the situation, check the quotation / tender, research the problem and report to Council.	Existing procedure adequate. Review Financial Regulations regularly